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September 17, 2010

Via Email to vshealy@mmo.sc.gov and Hand Delivery

Mr. Voight Shealy
Chief Procurement Officer for Goods and Services
Materials Management Office
1201 Main Street, Suite 600
Columbia, SC 29201

RE: Protest of Notice of Intent to Award to American Medical
Solicitation # 080410082710, Provide Medical Supplies and Billing Services for
Eligible Medicare Part B Durable Medical Equipment, Prosthetics, Orthotics and
Supplies (DMEPOS) to Eligible Medicare Part B Consumers ("RFP")

Dear Mr. Shealy:

This firm represents Grove Medical Inc. ("Grove") in connection with the above matter. Grove hereby protests the notice of intent to award the above procurement to American Medical, which notice was posted on September 7, 2010. The grounds of this protest are set forth below.

On September 7, 2010 and again on September 9, 2010, Grove requested Freedom of information Act documents related to the above-referenced award and solicitation from the Department of Disabilities and Special Needs (DDNS). DDNS contacted the undersigned and indicated that they could not make the documents available by September 17, 2010, but would provide them as soon as possible next week. Therefore, Grove reserves its right to and will amend this protest as allowed under §11-35-4210 once these documents are received.

The purpose of the RFP is "to contract with a fully accredited provider of medical supplies and billing services for eligible Medicare Part B Durable Medical Equipment, Prosthetics, Orthotics and Supplies (DMEPOS) to Medicare Part B eligible consumers served by the South Carolina Department of Disabilities & Special Needs (DDSN)". RFP, p. 3.

Under the terms of the RFP, the successful offeror is responsible for delivering medical supplies to disabled South Carolina residents and then for billing Medicare Part B for appropriate payment.

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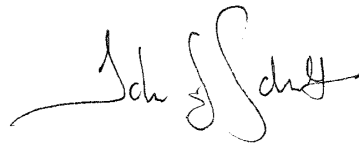
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Award criteria included consideration of response time for delivery to disabled South Carolina residents.

Grove protests the intent to award on the grounds that American Medical is not a responsible and responsive bidder because American Medical is an Illinois company that states on its website that it provides medical supplies and services in the States of Illinois, Kansas, Louisiana, Missouri and Virginia; American Medical is an Illinois Corporation and upon information and belief is not registered to do business in South Carolina and does not maintain an office, warehouse facilities, or staff in South Carolina. Upon information and belief, American Medical did not identify any subcontractors in response to the RFP as required. Therefore, American Medical is not a responsible bidder in that it does not have the ability to perform the material requirements of the RFP and was not a responsive bidder because it failed to identify how it would meet the materials requirements of the RFP.

Grove requests that the intent to award be stayed, and that a hearing be held after full disclosure of all state data that Grove has requested through FOIA. Grove also asks that the intent to award to American Medical be cancelled, as American Medical is not a responsive and responsible offeror.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John E. Schmidt, III". The signature is fluid and cursive, with the first name "John" and last name "Schmidt" being clearly legible, followed by a stylized "III".

John E. Schmidt, III